



YLW

Kelowna International Airport

Fiscal Update



Fiscal Update

► Statement of Financial Position

	<u>Actual 2018</u>	<u>Actual 2017</u>
Financial Assets		
Cash and cash equivalents	\$ 1,000	\$ 62,110
Accounts receivable		
Due from government	256,762	968,810
Trade receivables	3,709,463	3,432,032
Portfolio investments	26,367,839	26,659,727
	<u>30,335,064</u>	<u>31,122,679</u>
Liabilities		
Accounts payable		
Trade	2,987,032	2,503,952
Regional government	136,237	276,883
Performance deposits	305,948	283,421
Deferred revenue	158,604	319,541
Mortgage payable (Note 3)	2,700,000	3,600,000
Debenture debt (Note 4)	18,177,948	22,035,751
	<u>24,465,769</u>	<u>29,019,548</u>
Net Financial Assets	<u>5,869,295</u>	<u>2,103,131</u>
Non-Financial Assets		
Prepaid expenses	96,808	85,318
Inventory	365,186	192,256
Work in progress (Note 5)	2,929,193	7,417,552
Tangible capital assets (Note 6)	143,724,445	128,694,388
	<u>147,115,632</u>	<u>136,389,514</u>
Accumulated Surplus (Note 7)	<u>\$ 152,984,927</u>	<u>\$ 138,492,645</u>

Fiscal Update

► Statement of Operations and Accumulated Surplus

	Budget 2018	Actual 2018	Actual 2017
Revenue			
Sale of services (Note 11)	\$ 19,090,014	\$ 21,157,839	\$ 18,978,599
Interest earned	158,000	543,587	303,422
Government transfers (Note 2)	3,520,160	1,034,936	2,053,830
Other capital contributions	-	787,956	513,551
	<u>22,768,174</u>	<u>23,524,318</u>	<u>21,849,402</u>
Airport Improvement Fee (Note 10)	13,220,000	14,017,034	12,926,606
	<u>35,988,174</u>	<u>37,541,352</u>	<u>34,776,008</u>
Expenses (Note 12)			
Administration	3,308,892	3,525,811	2,767,325
Interest	956,250	815,603	1,268,372
Terminal operations	4,947,331	5,664,945	4,599,832
Airport improvement fee	325,964	46,868	563,674
Airport policing	188,716	188,716	181,846
Groundside operations	2,377,919	2,345,550	2,200,315
Airside operations	3,324,134	3,251,572	3,078,240
Amortization	-	7,209,942	6,081,320
Write down of tangible capital assets	-	63	-
	<u>15,429,206</u>	<u>23,049,070</u>	<u>20,740,924</u>
Annual Surplus	<u>\$ 20,558,968</u>	<u>14,492,282</u>	14,035,084
Accumulated Surplus, beginning of year		<u>138,492,645</u>	124,457,561
Accumulated Surplus, end of year		<u>\$ 152,984,927</u>	<u>\$ 138,492,645</u>

Fiscal Update

► Cash Flow

	<u>Actual 2018</u>	<u>Actual 2017</u>
Net inflow (outflow) of cash and cash equivalents related to the following activities:		
Operating		
Annual surplus	\$ 14,492,282	\$ 14,035,084
Adjustment for non-cash items		
Amortization of tangible capital assets	7,209,942	6,081,320
Actuarial adjustment on debenture debt	(627,956)	(513,551)
Write down of tangible capital assets	63	-
Decrease (increase) in assets		
Accounts receivable	434,617	(368,138)
Inventory and prepaid expenses	(184,420)	71,630
Increase (decrease) in liabilities		
Accounts payable	342,433	(608,884)
Performance deposits	22,527	(96,516)
Deferred revenue	(160,937)	185,926
	<u>21,528,551</u>	<u>18,786,871</u>
Capital		
Acquisition of tangible capital assets	<u>(17,751,703)</u>	<u>(22,354,182)</u>
Investing		
Change in investments	<u>291,888</u>	<u>(995,721)</u>
Financing		
Proceeds from issuance of debenture debt	-	8,000,000
Repayment of mortgage payable	(900,000)	(900,000)
Repayment of debenture debt	(3,229,846)	(2,532,002)
	<u>(4,129,846)</u>	<u>4,567,998</u>
Net increase in cash and cash equivalents	<u>(61,110)</u>	<u>4,966</u>
Cash and cash equivalents, beginning of year	<u>62,110</u>	<u>57,144</u>
Cash and cash equivalents, end of year	<u>\$ 1,000</u>	<u>\$ 62,110</u>

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▶ Debt Repayment Schedule

	2019-2025	2026	2027	Total
Principal	2,213,333	1,258,000	698,000	15,236,000
Interest	584,000	333,000	112,000	4,533,000
Total	2,797,333	1,591,000	810,000	19,769,000

▶ Repaid in 2018

- ▶ Principal: \$3,230,000
- ▶ Interest: \$956,000

▶ Municipal Financing Authority Loans

- ▶ \$7.5M – October 2015
- ▶ \$3.5M – April 2016
- ▶ \$3.0M – October 2016
- ▶ \$8.0M – April 2017



Questions?

For more information, visit ylw.kelowna.ca.